

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2004-178-E - ORDER NO. 2004-475  
OCTOBER 8, 2004

IN RE: Application of South Carolina Electric & Gas	)	PROCEDURAL ORDER
Company for Approval of an Increase in	)	ON SCE&G'S MOTION
Electric Rates and Charges	)	FOR PROTECTIVE
	)	ORDER AND
	)	COLUMBIA ENERGY'S
	)	MOTION TO COMPEL

This matter comes before the Public Service Commission of South Carolina (the Commission) on competing motions by Columbia Energy, LLC (Columbia), an intervenor in this matter, and South Carolina Electric & Gas Company (SCE&G or Applicant). Columbia served three sets of Interrogatories and Requests for Production of Documents in this matter on the Petitioner SCE&G.

I. BACKGROUND

The first set of Interrogatories and Requests for Production was served by Columbia on SCE&G on August 10, 2004. The second set was served on SCE&G on August 18, 2004, and a third set on September 21, 2004. On August 30, 2004, SCE&G served its Responses on the first Discovery Request on Columbia and on September 2, 2004, served its Responses to the second Discovery Requests. Numerous answers of SCE&G contended that the information sought by Columbia was proprietary and confidential. On September 10, 2004, SCE&G filed a Motion for Protective Order from

the Commission in which it sought an Order of this Commission defining and limiting the scope of the proceedings and the discovery sought by Columbia. In response, Columbia filed a Motion to Compel Responses from SCE&G with the Commission on September 23, 2004.

II. GENERAL DIRECTIVES CONCERNING MOTION TO COMPEL AND  
MOTION FOR PROTECTIVE ORDER

We have examined the Interrogatories and Requests for Production, as well as the objections of SCE&G, and as specified below, we both deny in part and grant in part portions of both the Motion to Compel of Columbia Energy and the Motion for Protective Order of SCE&G.

In general, the Commission denies the Motion to Compel as to any of the Interrogatories and Requests which concern the operation of the SCE&G Urquhart plant. The Commission views any interrogatories or requests which concern the Urquhart plant as being irrelevant to the matter currently before the Commission and therefore outside the scope of permissible discovery. The current issue concerns an Application by SCE&G for approval of an increase in electric rates and charges, and although the overall operation and costs of the company are collaterally at issue, the addition of SCE&G's Jasper plant to the Company's rate base is the central issue. The Commission finds that although Columbia Energy should be permitted some latitude in discovery requests related to the costs and operation of the Jasper plant, there is no information related to the operation of other facilities which can in any way directly impact or influence the issues before the Commission in this proceeding. We do not find that it is in the interests of

justice or within the contemplation of our discovery procedures to permit such broad discovery by a party which is essentially a competitor of the Applicant.

As to the remainder, and majority, of Columbia's Requests and Interrogatories, we find that SCE&G should be, and is hereby ordered, to respond to those questions which seek specific methodologies or ask for SCE&G to identify contracts and information which were used by SCE&G to obtain adjustment clause calculations and capacity charges related to the Jasper plant. Columbia's Motion to Compel as to the actual contracts and work papers which are or were used by SCE&G in making these calculations is denied. The Commission finds that such contracts and information would be proprietary in nature and not subject to disclosure under the Commission's regulations. SCE&G's Motion for a Protective Order as to these actual materials is, therefore, granted.

Finally, prior to any of the information or materials which are ordered to be provided to Columbia by SCE&G in this Order are made available, the parties are ordered to enter into a non-disclosure agreement. Under the terms of this agreement, only the Legal Counsel for Columbia and one third-party expert of Columbia Energy's choosing shall be permitted to view the information which SCE&G is ordered herein to provide. This agreement shall be entered into by the parties by not later than the close of business on Friday, October 8, 2004, in order to provide Columbia sufficient time to view the requested information prior to the hearing on the merits of this case beginning November 1, 2004. Counsel for Columbia is to ensure that neither the information itself

nor any copies of such information is viewed by or provided to any officers or employees of Columbia.

III. SPECIFIC RULINGS ON INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

So as to not leave any confusion among the parties as to the specific interrogatories and requests which are addressed in this Order:

A. SCE&G is not required to provide responses or documents in regards to any of the Interrogatories or Requests for Production related to the Urquhart plant.

B. As regards Interrogatories and Requests for Production related to the Jasper plant:

1. Interrogatory No. 10. SCE&G is ordered to list the contracts under which the interstate gas service is provided and to give the methodology used to calculate the total \$15,292,800 amount. SCE&G is not required to provide the contracts or specific details of such contracts which support the total \$15,292,800 amount.

2. Interrogatory No. 11. SCE&G is ordered to provide the methodology used to calculate the \$10,922,000 proposed adjustment and the source of such figures, but SCE&G is not ordered to provide any details which are contained in contracts or other proprietary documents.

3. Interrogatory No. 12. SCE&G is required to notify Columbia of the entity holding the interstate capacity for the Jasper facility and provide information which describes how the benefit of any released capacity accrues to SCE&G's ratepayers.

4. Interrogatory No. 13. SCE&G is ordered to describe the benefit to SCE&G's customers which accrues when SCE&G resells its firm capacity for gas for the

/s/  
G. O'Neal Hamilton, Vice Chairman  
(SEAL)